

[21st August 1925]

- (b) whether they can exercise the powers of a Registrar, such as registration, arbitration, enquiry, audit and liquidation;
- (c) if so, what are the functions of control to be exercised by the deputy registrars over them; and
- (d) whether this power to be newly given to the assistant registrars is to be conferred on all in that cadre or is it to be conferred only on selected capable men?

*A.—(a) Yes.*

- (b) The powers conferred on these assistant registrars are specified in Notifications Nos. 185 and 210, published at pages 1197 and 1265 of Part I of the *Fort St. George Gazette*, dated the 7th and 21st July 1925, respectively.
- (c) The hon. Member is referred to paragraph 4 of G.O. No. 378, Development, dated 12th March 1925, which has been placed on the Editors' Table.
- (d) No assistant registrar will be invested with these powers unless he is considered capable and has, if necessary, undergone training.

*Mode of auditing central banks.*

\* 269 Q.—**Mr. T. ADINARAYANA CHETTIYAR:** Will the hon. the Minister for Development be pleased to state with reference to his answer to interpellation No. 472, dated 17th March 1925—

- (a) whether it is a fact that audit orders of central banks are issued as if the banks were audited by assistant registrars when they are actually audited only by chief inspectors;
- (b) whether it is a fact that in the case of all other societies audit orders are issued by those who actually audit them;
- (c) the reason for adopting in the case of the audit of central banks this procedure which misleads the public as to the actual state of affairs;
- (d) whether he has any objection to prescribe that central banks should be actually audited by assistant registrars as was done in the early years of the movement; and
- (e) whether in his new scheme of reorganization provision has been made for different kinds of co-operative societies being adequately audited by competent auditors?

*A.—(a) No.*

- (b) In the case of all societies the audit orders mention the names of persons who actually conducted the audit.
- (c) Does not arise.
- (d) The Government do not propose to interfere with the discretion vested in the Registrar under section 17 of the Co-operative Societies Act of 1912.
- (e) Yes.

**Mr. T. ADINARAYANA CHETTIYAR:**—“With regard to answer to (d), these central banks are now attracting deposits of lakhs and lakhs of rupees from those who are bidders in alkari sales, from people who have taken contracts for jails and other public spirited people. It is very necessary that these people should have confidence in these banks. If they are merely audited by the chief inspectors, it will not inspire confidence in the investors nor attract

21st August 1925]

large capital. Therefore I want that these central banks should be audited by the assistant registrars. By saying that 'Government do not propose to interfere with the discretion vested in the Registrar under section 17 of the Co-operative Societies Act of 1912', does the hon. the Minister want to mislead the public?"

The hon. Diwan Bahadur T. N. SIVAGNANAM PILLAI :—"Certainly not; it is enjoined on the Registrar by the Act and if he is worth his salt he must do his duty properly."

Mr. T. ADINARAYANA CHETTIYAR :—"As a matter of fact, it has not been done; and it does not produce the necessary confidence in the public."

The hon. Diwan Bahadur T. N. SIVAGNANAM PILLAI :—"If any particular case is brought to my notice I shall make the necessary enquiry."

Mr. T. ADINARAYANA CHETTIYAR :—"Is there any exception? As far as I know it is the rule."

Mr. G. RAMESWARA RAO :—"May I point out to the hon. the Minister that it is the inspector that does the whole duty and the assistant registrar simply supervises his work?"

The hon. Diwan Bahadur T. N. SIVAGNANAM PILLAI :—"The mechanical portion of the work is done by the inspector but the real portion of the work is done by responsible officers."

Mr. G. RAMESWARA RAO :—"Who is attending to the financial portion of the work?"

The hon. Diwan Bahadur T. N. SIVAGNANAM PILLAI :—"The early portion of the work, that is comparing the ledger figures with the journal figures, that is all done by the inspecting staff; but the work of bringing up the balance, finding out the assets and liabilities and matters of that nature are all attended to by the assistant registrar."

Mr. T. ADINARAYANA CHETTIYAR :—"For the last eight years this has never been done?"

#### *Co-operative societies in the Nilgiri district.*

\* 270 Q.—Mr. T. ADINARAYANA CHETTIYAR: Will the hon. the Minister for Development be pleased to state—

(a) the number of co-operative societies in the Nilgiri district and of that number how many are specially for the hill tribes;

(b) whether it is a fact that there is a large sum of 'overdues' from societies and whether it is a fact that the movement has been a failure as regards benefit to the hill tribes;

(c) whether it is a fact that the sympathy of the leaders of the community (hill tribes) was not enlisted and whether it is a fact that even the few who helped the movement in the beginning had subsequently severed their connexion with the movement on account of the attitude of the officials of the department towards them;

(d) whether it is a fact that the organization of new societies was left entirely in the hands of the officials of the department;